

CARIBOU ADMINISTRATION
25 HIGH STREET
CARIBOU, ME. 04736



MEMO

TO: Caribou City Council Members
FROM: Penny Thompson, City Manager
DATE: March 16, 2026
RE: City Manager's Report

For this City Manager's report, we will talk about matters related to the municipal budget.

I have enclosed part 4 of the Maine Municipal Series on funding school education, and an article from the Maine Town and City on our very own – Gary Marquis.

Suggested Action:

No action is required. This is informational only.

The Complexity of Funding Public Education

The finale.

By Rebecca Lambert / Municipal Issues Specialist

Through passage of LD 2286 in April of 2024, the Maine Educational Policy Research Institute (MEPRI) was directed to conduct a targeted review of how public education is financed in Maine, including examining the components of the Essential Programs and Services (EPS) funding formula. Articles published in the October and November 2025 and January 2026 editions of the *Maine Town & City*, outlined the components of the EPS formula and highlighted key data trends, explored regional cost variations and the impact of special education expenses within the EPS formula, and examined how Maine finances public education, the sharing of costs between the State and property taxpayers, and the effectiveness of the current EPS funding model.

The final segment in this series relies on artificial intelligence and human resources to summarize the 200-page report's most critical findings.

General Background and Trends

While expectations for public education in Maine have expanded, funding models have not kept pace with changing needs or inflation. Since EPS's introduction in 2005, per-pupil spending has grown significantly, even as student enrollment declined by 19%. This contrast highlights a clear paradox, as many districts are now spending more to educate fewer students. Two spending categories, special education and student/staff support, have seen the most growth, rising 141% and 174% respectively between 2001 and 2021—far outpacing inflation.

Stakeholder feedback also revealed a lack of consensus regarding the provision of an “adequate” education. Communities interpret “essential services” differently, leading to wide disparities in educational opportunities.

Economies of scale also contribute to the chronic underfunding of school programs. Communities often resist school closures, leading to structural inefficiencies in the system. One solution would be to support small schools through alternative funding models or by using multi-year enrollment averaging. Another

solution would encourage consolidation with stricter funding guidelines and prioritization of merged infrastructure.

State Funding, Local Ability to Pay, and Property Valuation

Maine's education funding system relies heavily on property taxes, which contributes to inequities across districts and taxpayers. According to the study, Maine ranks first in property tax as a percentage of available revenue, third in reliance on property taxes for funding state and local programs, and seventh in per capita property tax burden.

Recent surges in residential property values, especially post-pandemic, have shifted more of the education funding burden onto homeowners, exacerbating voter resistance to school budgets.

Additionally, when considering property valuation versus income disparity, the formula is flawed. The system assumes property value reflects ability to pay. However, nearly 13% of town and cities' residents have low or average incomes but high EPS-related tax burdens, suggesting that some residents are overburdened relative to their means.

Recommended solutions to overcome these challenges include incorporating income into the EPS formula in addition to property assessment, targeting relief to low-income property owners regardless of the community, and revisiting minimum contributor adjustments.

Regional Cost Variation

The study also brought to light that the EPS regional adjustment, meant to account for local labor market differences, is outdated and ineffective, as evidenced by growing salary gaps. The regional index still relies on 2004–2005 salary data, which no longer reflects actual regional differences. This practice undermines the model's goal to fairly fund districts based on real labor costs.

MEPRI recommends updating the index using either recent teacher salary data or cost-of-living indices to

establish funding formula provisions that ensure minimum support in low-wage areas. The report also recommends implementing periodic updates to keep the formula responsive to market changes.

Special Education Funding

Special education funding is complex, and Maine's current special education funding model is both inequitable and inadequate. Several issues were identified, including the overidentification of students, as Maine's special education identification rate (20%) is well above the national average (15%). Additionally, the funding model, described as being largely reactive, means schools with higher past expenditures receive more future funding.

Possible remedies include developing a tiered funding model based on student needs rather than expenditures, promoting the regionalization of services to manage costs and improve quality of services, moderating growth maintenance of effort adjustments to prevent budget inflation, and revisiting hardship funding rules to better assist districts facing unexpected high-cost placements.

Policy Considerations Summary and Next Steps

In terms of policy considerations, this study underscores several fundamental questions for current and future lawmakers to explore as they consider amendments to the models and formulas used to fund kindergarten to grade 12 education. As the state looks to implement findings from this study, MEPRI advises greater transparency in EPS cost assumptions, more explicit definitions of educational adequacy, engagement with tax policy experts, a shared vision of equity for students and taxpayers alike, and a phased implementation of major funding reforms to minimize disruption.

What has become clear is that Maine's education system is at a crossroads.

The EPS funding formula, once a bold step toward equity, now struggles under outdated assumptions and a rapidly changing social and economic landscape. By embracing the recommendations made by professional researchers in this report, policymakers have a basis to modernize school funding in a way that ensures both fairness and effectiveness for the next generation of students. 🏔️



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Profiles of Municipal Service

Gary Marquis, Caribou Parks and Recreation Supervisor

By Stephanie Bouchard

On the third day of 2026, Gary Marquis, Caribou's supervisor of parks and recreation, was in a miserable situation. The weather was in the single digits, and he was trying to dig a tractor out of five feet of mud. Make that frozen solid mud. And yet, he said, even on days like that, he loves his job. "I don't look at it as being work," he said of his role in the community. "I care. I care about what we do."

Marquis began working for the City of Caribou in 1994 through the AmeriCorps program after spending the three previous summers interning with the St. John Valley Soil & Water Conservation District. He was hired by the city a year later.

He said he wanted to stay in Caribou because of the community. "It's a small community here," he said. "You get to know everybody and the work that you do does count. People do see the value of what you do."

In his early days with the city working for the director of maintenance, Marquis took a liking to maintaining the city's athletic fields. "[I] started really dabbling into turf, not just turf management, but making sure that our ball fields were the best around," he said.

His other passion was maintaining and expanding Caribou's celebrated snowmobile and ATV trails. Marquis grew up snowmobiling in his hometown of Van Buren and still loves it. "To be able to travel over frozen ground and go from town to town to see the different views—it's just awesome," he said. Even today with all his other responsibilities, Marquis loves being out in the cold grooming 100-plus miles of trails.

Marquis also has a lot of other responsibilities; some of them are actually part of his job description, but most, say those that know him, are not.



Gary Marquis

For example, when technical assistance members from the University of Connecticut's brownfields program were headed to Caribou, Marquis was determined to give them a memorable experience that would also be enlightening, said Penny Thompson, Caribou's town manager who calls Marquis her right-hand man.

Marquis wanted to put the UConn team on ATVs and take them out on the trails so they could see how close the brownfield sites were to the trails and how getting a clean-up grant would help to transform the community, she said. It wasn't his job to take those people out on the trails and give them a memorable

experience of Caribou, she said, "but I'll tell you, it was their favorite thing, and he was so right because it gave them a completely different perspective on how important outdoor recreation is to our community."

Marquis's dedication to his community is apparent for all to see, and he is well-respected because of it, said Joe Sleeper, who is one of the operators of Sleeper's, a family-owned and-operated general store in Caribou. "He's a very detail-oriented guy and he makes things look right and he does things right. And that bugger works 24/7."

It is a point of pride with Marquis, who refers to his truck as his "office," that he takes the time to get to know people, preferably by talking to them face-to-face or, at the very least, on the phone. "In my opinion, going to talk to somebody face-to-face, having a coffee with them, that's where relationships are formed, that's where deals are made and a handshake after is worth more than anything," he said.

That effort means that landowners and business owners in town trust him. "That man has a heart of gold and he'll take the shirt off of his back and he'll

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knit you one if he has to,” said Dan Jarosz, a Massachusetts resident who has an Airbnb in Caribou and a storage facility business.

When Jarosz, who has gone to Caribou for snowmobiling every winter since the mid-1990s, decided to open his business there, it was Marquis who helped guide him. “Gary was like my eyes and ears on the ground over there,” he said, and out of that experience, the two became fast friends. “It’s tough finding nice people in this world and he’s definitely one of them,” he said. “If I need something at one of the properties or whatever, he’s right there.”

Marquis’s willingness to help is well known throughout the community, said Thompson, and was one of the first things she learned about him when she became city manager. “I soon realized that not only could Gary do everything, but he was also willing to do everything,” she said. “When you are trying to keep a lot of balls in the air, you’re looking for people that can help with that, and, like I said, he’s always willing to help whatever it is.”

When someone comes up with an idea that can be added to the city’s comprehensive plan as something to aim for in the future, Marquis, more often than not, gets it done now, she said. “He literally will text me later that day,” she said, and tell her it’s been done.

In advance of the grand opening of Amazon’s delivery facility in Caribou last fall, Thompson wanted to get a few things around town spruced up before all the invited guests arrived to make sure Caribou looked its best. In addition to the few tasks she asked to have done before the event, Marquis took additional projects upon himself. “I was like, ‘You’re just making more work for yourself,’” she said. “And he’s like, ‘Yeah, but I see your vision. I see your vision here of what you’re trying to do, and I think we can do these things.’”

Because Marquis is so community-minded, said Thompson—in addition to everything he does through his role as a city employee, he volunteers—he’s always

thinking two steps ahead. “It’s an incredible skill to share with your community and he does it so unselfishly,” she said.

For example, to benefit residents, tourists and businesses in the city, Marquis not only makes sure the snowmobile and ATV trails are well groomed and maintained, he also ensures there are spurs off the trail systems to bring riders into the business district, where they can visit shops, get gas, eat at the restaurants and have easy access to the hotels, she said. “He just believes in enriching the lives of our citizens and [supporting] the business community and things like that,” Thompson said.

His commitment to the community and a sense of purpose have kept him in Caribou and working for the city and continues to fuel his work today. Whether it’s the trails, the ball fields, the wellness and recreational center or the city’s special events, Marquis is involved. “There’s not one special event that happens that I’m not involved with,” he said. And that’s the way he likes it.

“We’re really lucky to have him,” Thompson said. “I don’t want anybody reading this and deciding, well, they’re going to poach him to come to work for their town because I don’t want that to happen because we would be lost.” 🏔️

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